

NYSE: **REXR**

Rexford Industrial Realty

Earnings Presentation 1Q 2026



**Rexford
Industrial**



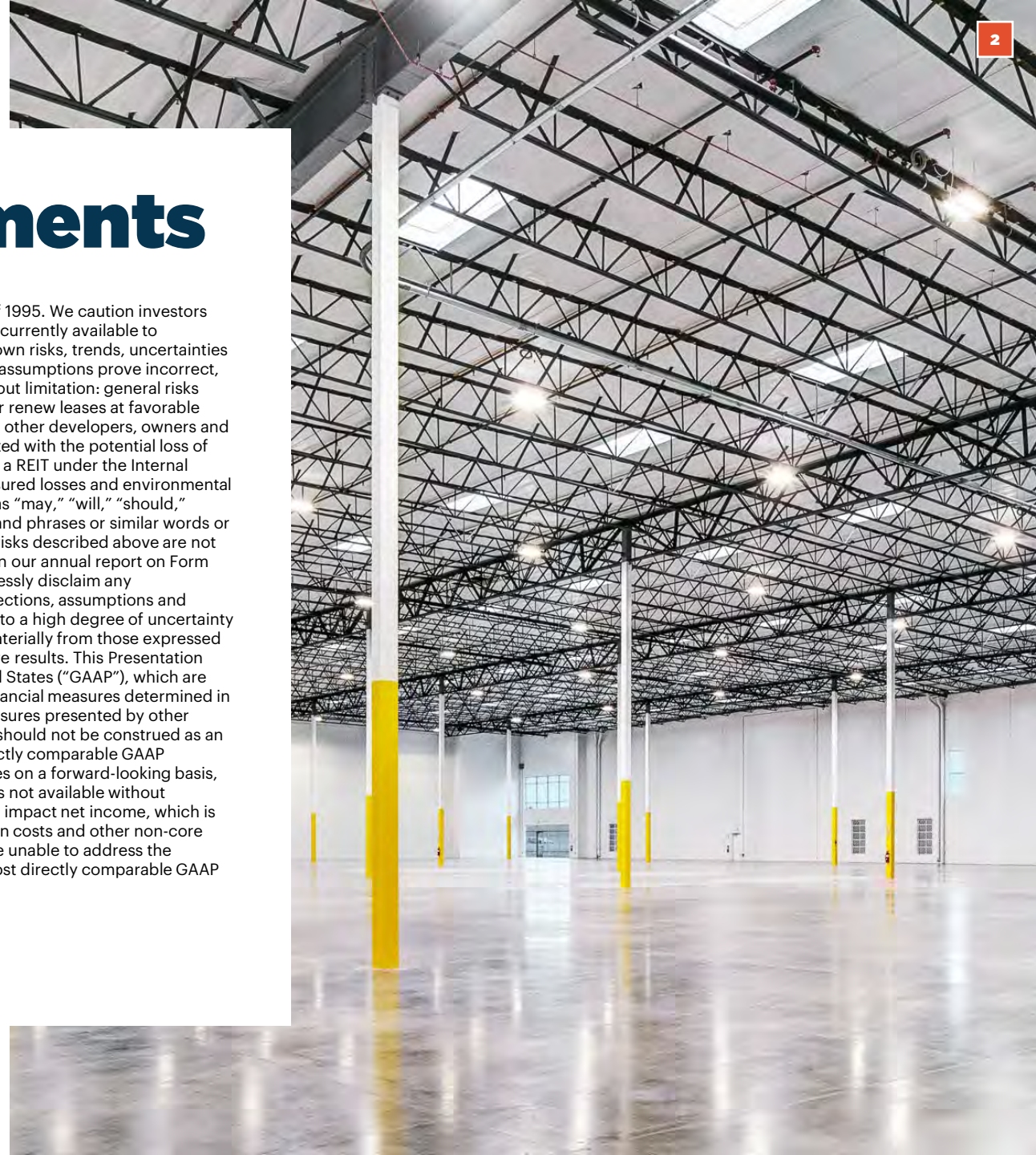
21515 S. Western Avenue | South Bay

Forward Looking Statements

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. We caution investors that any forward-looking statements presented herein are based on management’s beliefs and assumptions and information currently available to management. Such statements are subject to risks, uncertainties and assumptions and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. These risks and uncertainties include, without limitation: general risks affecting the real estate industry (including, without limitation, the market value of our properties, the inability to enter into or renew leases at favorable rates, portfolio occupancy varying from our expectations, dependence on tenants’ financial condition, and competition from other developers, owners and operators of real estate); risks associated with the disruption of credit markets or a global economic slowdown; risks associated with the potential loss of key personnel (most importantly, members of senior management); risks associated with our failure to maintain our status as a REIT under the Internal Revenue Code of 1986, as amended; possible adverse changes in tax and environmental laws; and potential liability for uninsured losses and environmental contamination. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. The risks described above are not exhaustive and additional factors could adversely affect our business and financial performance, including those discussed in our annual report on Form 10-K, for the year ended December 31, 2025, and subsequent filings with the Securities and Exchange Commission. We expressly disclaim any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties. Past performance is no guarantee of future results. This Presentation includes certain financial measures not presented in accordance with generally accepted accounting principles in the United States (“GAAP”), which are used by management as a supplemental measure, have certain limitations, and should not be construed as alternatives to financial measures determined in accordance with GAAP. The non-GAAP measures as defined by us may not be comparable to similar non-GAAP financial measures presented by other companies. Our presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that our future results will be unaffected by other unusual or non-recurring items. A reconciliation to the most directly comparable GAAP measures is provided in the Appendix to this presentation. Further, we do not provide a reconciliation for non-GAAP estimates on a forward-looking basis, where we are unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing and/or amount of various items that would impact net income, which is the most directly comparable forward-looking GAAP financial measure. This includes, for example, acquisition and disposition costs and other non-core items that have not yet occurred, are out of our control and/or cannot be reasonably predicted. For the same reasons, we are unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

Unless otherwise indicated, all Rexford Industrial financial information is as of or for the quarter ended March 31, 2026.

Endnotes can be found in the [Appendix](#) and are linked throughout the presentation.



REXR

NYSE

50M

Square Feet

414

Industrial Properties

\$11B

Entity Value¹

4.5x

Net Debt/Adjusted EBITDA^{re2}

BBB+ S&P³

BBB+ Fitch³

Baa2 Moody's³

100%

**Prime Infill
Southern
California**



2333 Pacifica Place (Rancho Pacifica Park)

111K SF Operating Asset | 100% Leased in 1Q26

Key Messages

Increasing 2026 Guidance

Core FFO/sh increased 2c at the midpoint, driven by 4.1M SF of leasing & accretive capital recycling

Delivering on Strategic Priorities

Dispositions deployed into accretive share repurchases; operational rigor drove record leasing activity

Improving Tenant Demand

Increased tenant activity while market fundamentals remain mixed; supply constraints continue to support long-term growth

Maintaining Balance Sheet Strength

4.5x Net Debt/Adjusted EBITDA_{re}; \$1.3B¹ of liquidity



2026 Guidance Expectations¹

	Q1 2026 Updated Guidance	Initial 2026 Guidance
Earnings		
Company share of Core FFO per diluted share	\$2.37 – \$2.42	\$2.35 – \$2.40
Same Property Portfolio²		
Same Property Portfolio NOI Growth - Net Effective	(2.0)% – (1.0)%	(2.5)% – (1.5)%
Same Property Portfolio NOI Growth - Cash	(1.5)% – (0.5)%	(2.0)% – (1.0)%
Average Same Property Portfolio Occupancy (Full Year)	95.1% – 95.6%	94.8% – 95.3%
Capital Allocation		
Dispositions	\$400M – \$500M	\$400M – \$500M
Repositioning/Development Annualized Stabilized Cash NOI ³	\$16M – \$18M	\$19M – \$21M
Repositioning/Development Starts (SF)	1.2M	1.1M
Repositioning/Development Starts (Total Estimated Project Costs)	\$160M – \$170M	\$140M – \$150M
Other Assumptions		
General and Administrative Expenses	+/- \$60M	+/- \$60M
Interest Expense	+/- \$112M	+/- \$112M

2026 Guidance Rollforward¹

Earnings Components	Range (\$ per share)	Notes
Initial 2026 Core FFO per Diluted Share Guidance	\$2.35 – \$2.40	
Same Property Portfolio NOI Change – Net Effective	0.01	Increased 50 bps at the midpoint to (2.0%) – (1.0%), driven by stronger 1Q leasing activity
Repositioning/Development NOI, Net	(0.01)	Projected rent commencement timing extended
Dispositions, Net of Capital Recycling of Proceeds	0.02	Higher than projected accretion from share repurchases
Net General and Administrative Expenses	-	Guidance unchanged at +/- \$60.0M
Net Interest Expense	-	Guidance unchanged at +/- \$112.0M
Current 2026 Core FFO per Diluted Share Guidance	\$2.37 – \$2.42	
Core FFO per Diluted Share Annual Growth	(1.3)% – 0.8%	

Immediate Strategic Priorities

Execute a disciplined, return-driven strategy focused on portfolio optimization & operational rigor

Dispositions

- Strengthen future cash flow growth
- Reduce development exposure, preserving future capital spend
- Capture premium valuation

Capital Recycling

- Recycle into superior risk-adjusted returns, including share repurchases
- Reinvest on accretive basis
- Maintain low-levered balance sheet

Operations

- Prioritize occupancy to reduce downtime & drive cash flow
- Reduce G&A as a % of revenue below peer average
- Realign executive compensation with shareholders

Advancing Strategic Priorities

2026 Goals

Progress YTD

Dispositions

\$400M – \$500M
Reduce development exposure



\$144M closed YTD; \$170M under contract/accepted offer¹
Disposing six development sites that do not meet our return requirements

Capital Recycling

\$400M – \$500M
reinvestment



\$200M of accretive share repurchases primary driver of 2026 guidance increase

Operations

Prioritizing occupancy

Reduce 2025 G&A expense by \$20M

Realign executive compensation



Increased 2026 Average SP Occupancy guidance by +30 bps

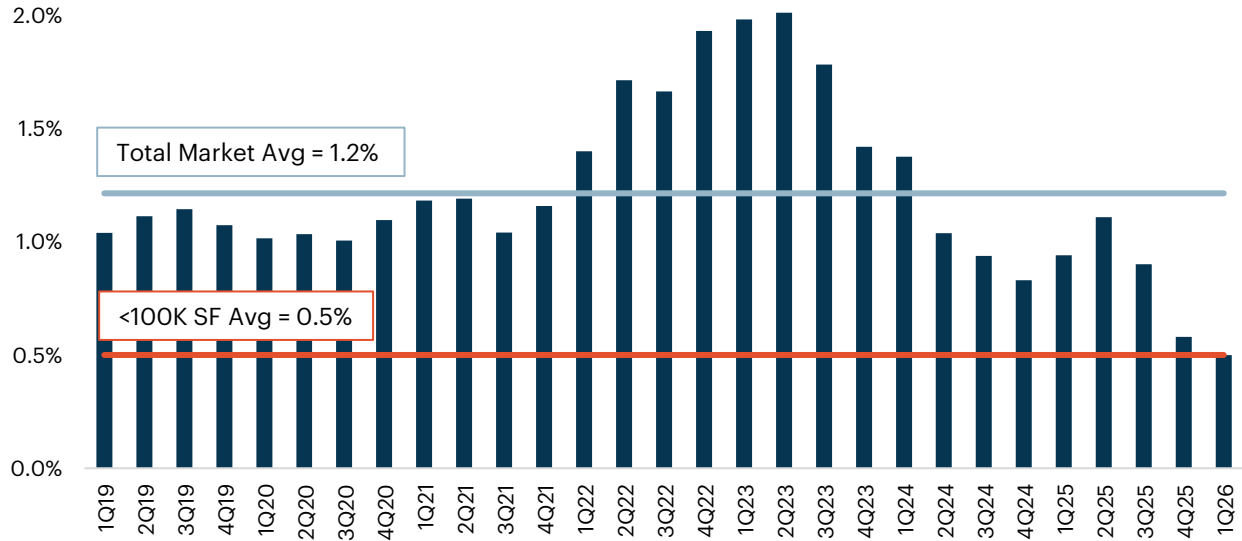
\$60M G&A guidance in line with peer average G&A as a % of revenue

Completed recalibration of executive compensation in alignment with shareholders

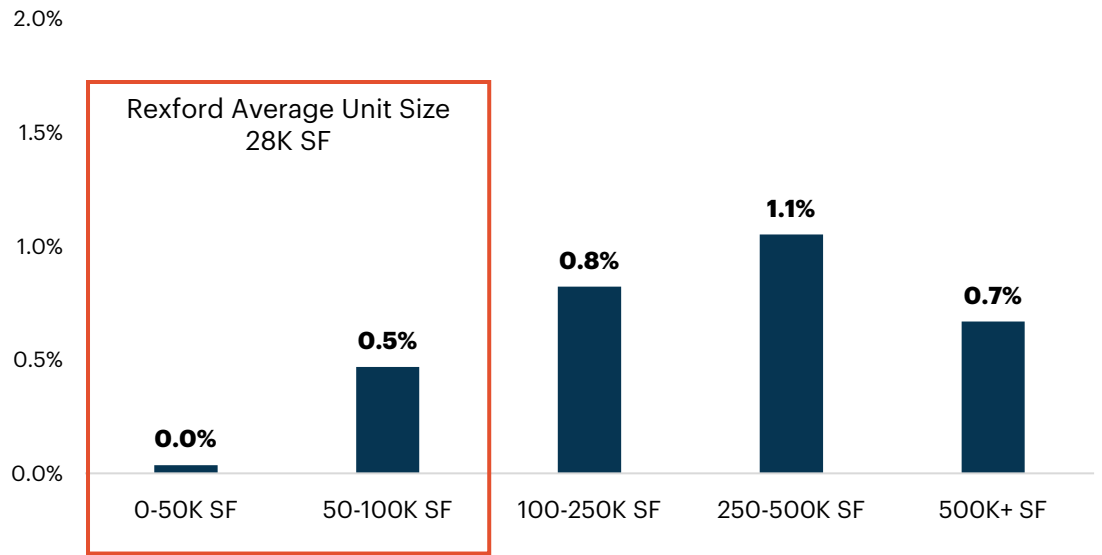
Favorable Infill SoCal Supply Backdrop

Overall supply under construction near historic lows, with negligible new supply under 100K SF, positioning Rexford's value creation platform for outperformance over time

Infill SoCal Under Construction as % of Total Stock¹
(1Q19-1Q26)

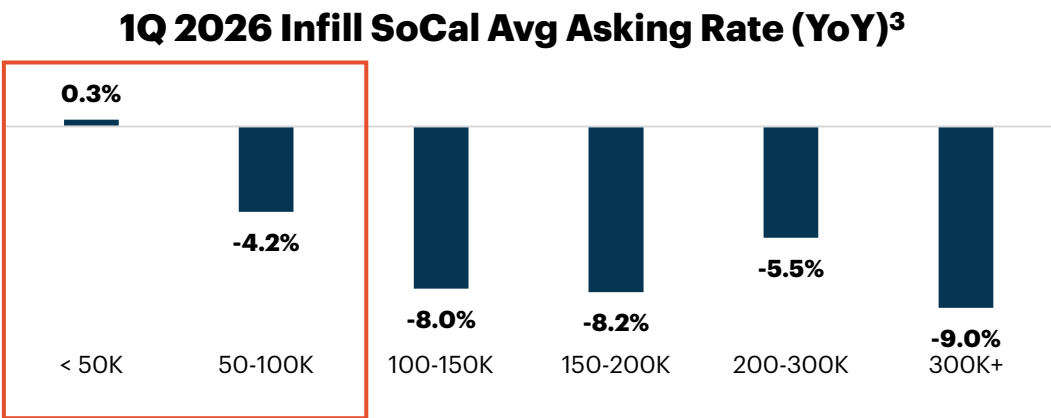
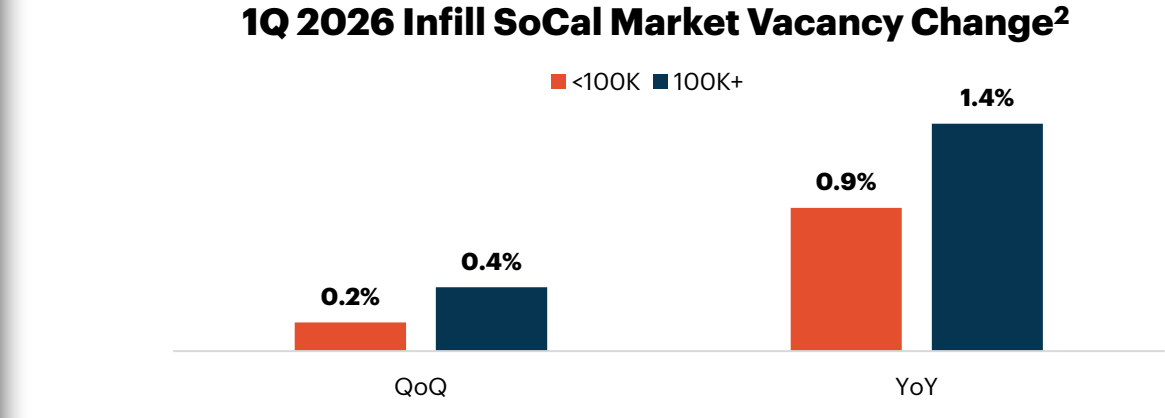
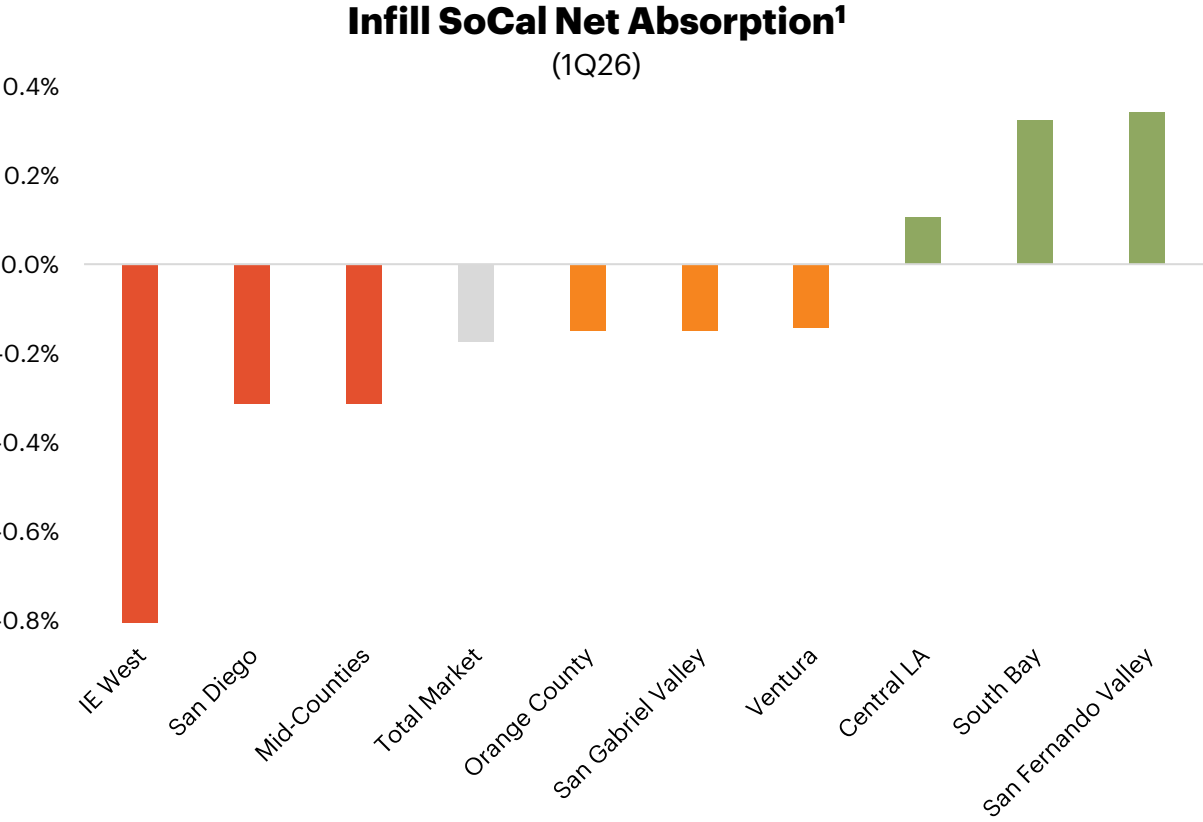


Infill SoCal Under Construction as a % of Total Stock by Size²
(1Q26)



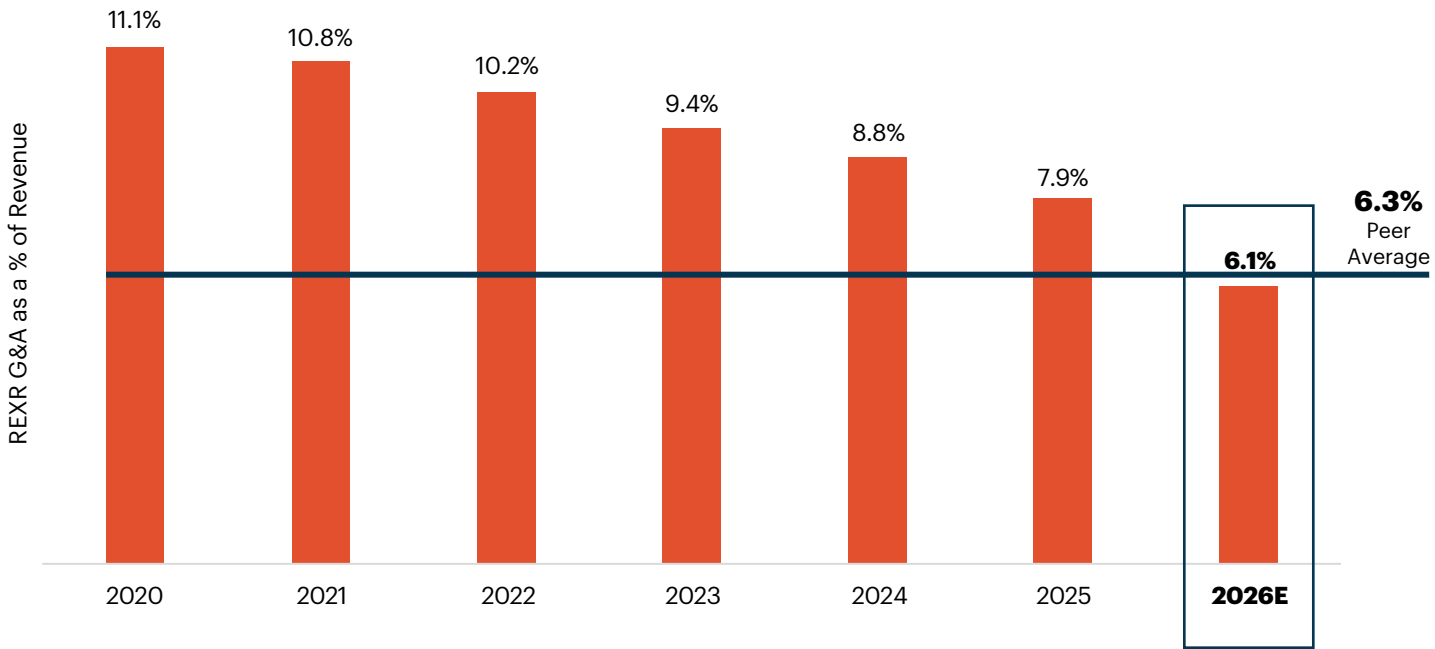
Infill SoCal Market Dynamics Improving

Tenant demand improving while market performance varies by submarket and size; Rexford's differentiated portfolio positioned to capture outsized demand



Improving Operating Efficiency

Projected 2026 G&A In Line With Peer Average¹



Enhanced Executive Compensation to Align With Shareholders

Long-term incentive metrics

- 100% based on relative total shareholder return
- Removed FFO/sh growth

Annual short-term incentive metrics

- Primarily based on FFO/sh & SP NOI growth
- Removed absolute NOI growth

Significantly reduced absolute level of total executive compensation by ~50%

Strong Liquidity & Investment Grade Balance Sheet

4.5x

Net Debt/Adjusted EBITDA^{re1}

100%

Fixed Rate Debt

\$1.3B

Total Liquidity²

97%

Unsecured Debt

BBB+ S&P³

BBB+ Fitch³

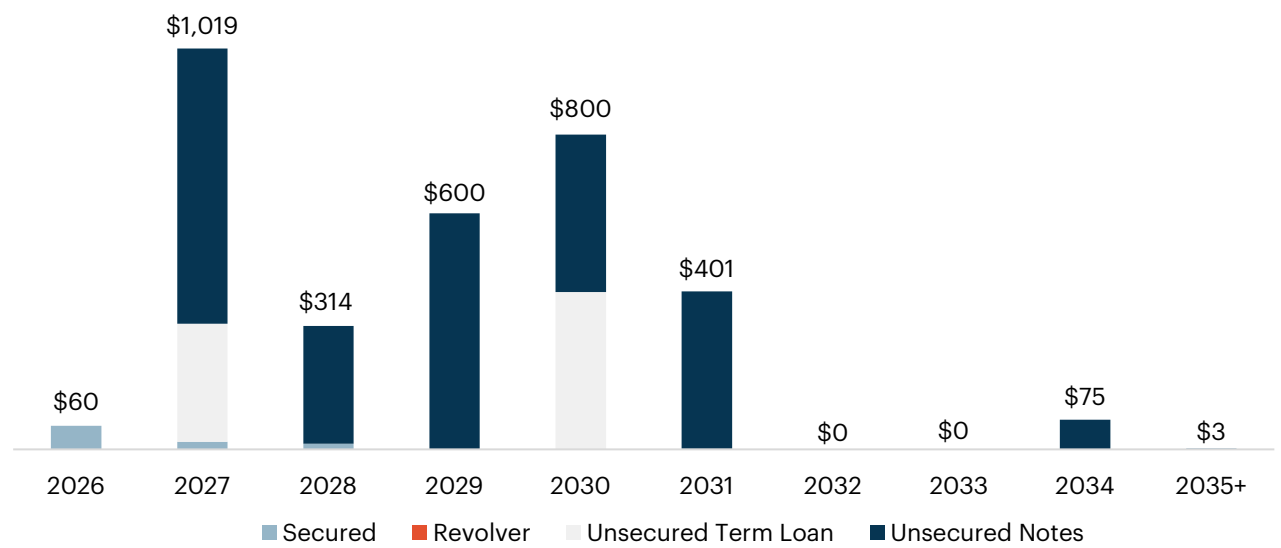
Baa2 Moody's³

3.0 years

Weighted Average Debt Maturity

Maturity Ladder

(\$ millions)



1Q 2026 Highlights



Financial¹

1Q 2026

\$0.61

Core FFO/Share
(1.6)% Growth

0.9%

Same Property
Net Effective NOI Growth

(0.4)%

Same Property
Cash NOI Growth



14650 Hoover Street, Orange County

60K SF Operating Asset | 100% Leased in 1Q26

All growth percentages compare to the prior year period.

Operations¹

1Q 2026

4.1M

Leased Square Feet

3.2%

Average Embedded Rent Steps²

3.4%, excluding Tireco, Inc. Lease Extension



Net Effective Leasing Spreads

(10.0)%

5.5%

Including Tireco, Inc. Lease Extension

Excluding Tireco, Inc. Lease Extension

Cash Leasing Spreads

(15.4)%

(1.8)%

96.3%

Average Same Property Occupancy

+160 bps v. 1Q25

96.1%

Ending Same Property Occupancy

+160 bps v. 1Q25

Dispositions

YTD 2026

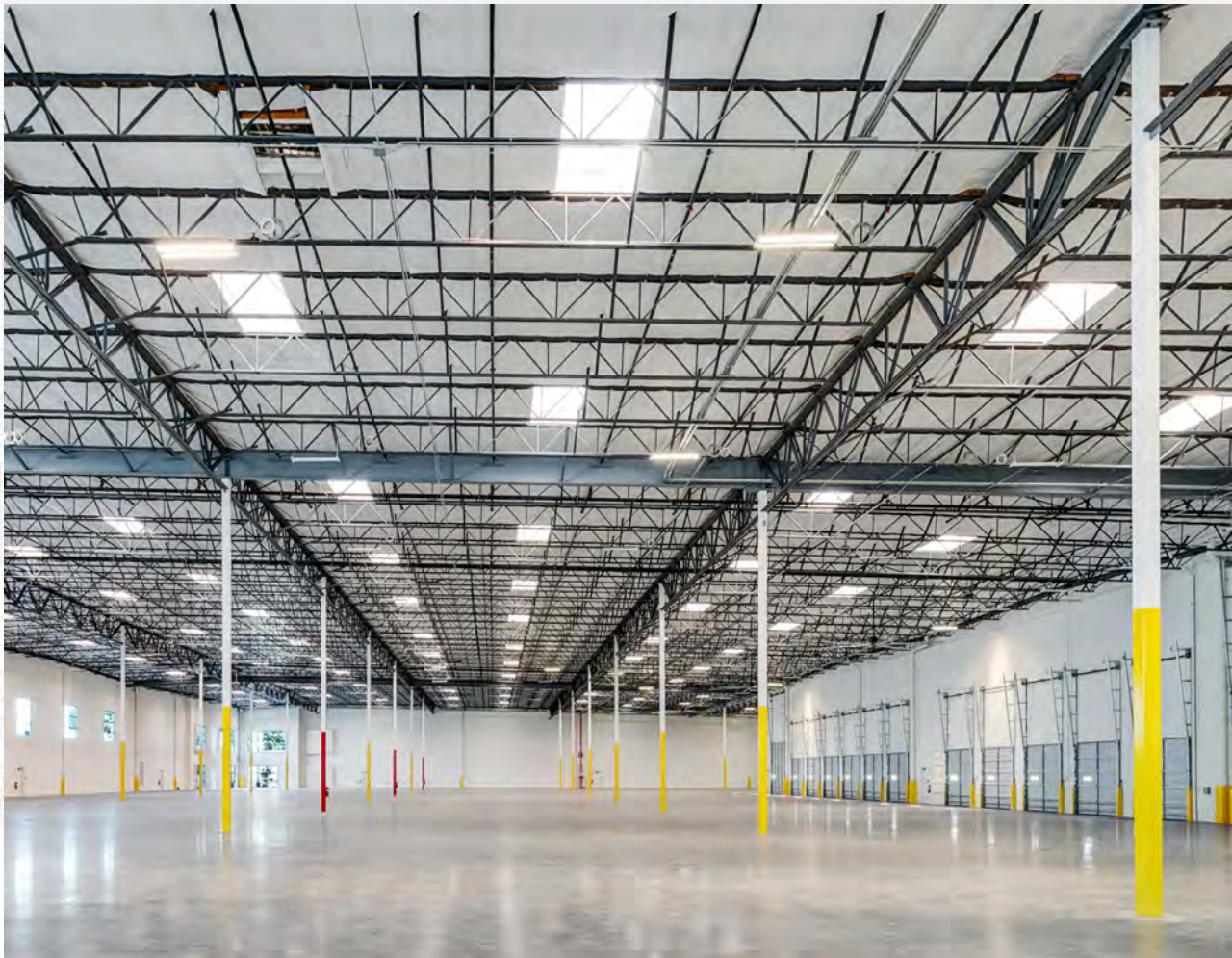
6
Closed Dispositions

435K
Square Feet

\$144M
Total Sales Price

\$170M
Dispositions Under
Contract/Accepted
Offer¹

\$0 Acquisitions Closed or Under Contract/Accepted Offer



Repositioning & Development

1Q 2026

38K
Leased Square Feet

\$0.7M
Leased Annualized
Cash NOI¹

2
Stabilized Projects

145K
Stabilized Square Feet

\$49M
Total Investment for
Stabilized Projects

5.3%
Stabilized Return
on Cost²



14350 Arminta Street, Greater San Fernando Valley
18K SF Operating Asset | 100% Leased in 1Q26

Appendix

Market Rent Growth & Mark-to-Market Reconciliation

Endnotes

Non-GAAP Reconciliations

Definitions



Market Rent Growth & Mark-to-Market Reconciliation¹

Market Rent Growth for Rexford Portfolio²

	Quarter-over-Quarter 4Q 2025 to 1Q 2026	Year-over-Year 1Q 2025 to 1Q 2026
Greater L.A.	-3%	-9%
Orange County	-1%	-8%
Inland Empire West	-2%	-6%
San Diego	-1%	-2%
Total Infill SoCal	-1%	-7%

Mark-to-Market Reconciliation for Rexford Portfolio

	Net Effective
Mark-to-Market at 4Q 2025	9%
Impact of Market Rent Change	-1 ppt
Mark-to-Market at 1Q 2026	8%
Plus: 1Q Leasing (Conversion of MTM) and Vacates	1 ppt
Estimated Mark-to-Market at 1Q 2026, net	8%

Source: Rexford internal portfolio metrics. Infill SoCal refers to Greater Los Angeles, Inland Empire West, Orange County and San Diego. Excludes Inland Empire East.

Endnotes

SLIDE 3

1. Calculated as the market value of fully diluted common shares (including common shares outstanding, Operating Partnership units, unvested shares of restricted stock, vested and unvested LTIP units and performance units) as of 3/31/2026, plus liquidation value of preferred equity and total net debt at balance sheet carrying value as of 3/31/2026.
2. Adjusted EBITDA_{re} is a Non-GAAP financial measure. Please refer to the Non-GAAP Reconciliations and Definitions on the following pages of this presentation for descriptions and reconciliations of Adjusted EBITDA_{re}.
3. These credit ratings may not reflect the potential impact of risks relating to the structure or trading of the Company's securities and are provided solely for informational purposes. Credit ratings are not recommendations to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization in its sole discretion. The Company does not undertake any obligation to maintain the ratings or to advise of any change in ratings. Each agency's rating should be evaluated independently of any other agency's rating. An explanation of the significance of the ratings may be obtained from each of the rating agencies.

SLIDE 4

1. Total liquidity reflects ending cash balance of approximately \$52 million and nearly full availability on our \$1.25 billion revolver.

SLIDE 5

1. The Company's 2026 guidance reflects management's view of current and future market conditions, including current expectations with respect to rental rates and occupancy levels. 2026 Core FFO Guidance represents the in-place portfolio as of April 23, 2026, as well as guidance expectations related to investment activity. To the extent actual results differ from the Company's current expectations, its results may differ materially from the guidance set forth here.
2. 2026 Same Property Portfolio is a subset of our consolidated portfolio and includes properties that were wholly owned by us for the period from January 1, 2025 through April 23, 2026, and excludes properties that were or will be classified as repositioning or development (current and future) or lease-up during 2025 and 2026 (unless otherwise noted) and select buildings in "Other Repositioning."
3. Represents estimated annualized Cash NOI for repositioning and development projects expected to stabilize in 2026, including 1315 Storm Parkway and 12118 Bloomfield Avenue which stabilized in the first quarter.

SLIDE 6

1. The Company's 2026 guidance reflects management's view of current and future market conditions, including current expectations with respect to rental rates and occupancy levels. 2026 Guidance represents the in-place portfolio as of April 23, 2026, as well as guidance expectations related to investment activity. To the extent actual results differ from the Company's current expectations, its results may differ materially from the guidance set forth here.

SLIDE 8

1. \$144 million includes the sale of 423-424 Berry Way, which closed subsequent to quarter end; dispositions under contract or with accepted offer as of April 23, 2026. Transactions are subject to customary due diligence and closing conditions; as such, there is no guarantee the Company will close on these transactions.

SLIDE 9

1. Source: CBRE Research and JLL Research 1Q 2019 to 1Q 2026. Infill SoCal Refers to Greater Los Angeles, Inland Empire West, Orange County & San Diego; excludes Inland Empire East.
2. Source: CBRE Research 1Q 2026. Infill SoCal Refers to Greater Los Angeles, Inland Empire West, Orange County & San Diego; excludes Inland Empire East.

SLIDE 10

1. Source: CBRE Research 1Q 2026. Infill SoCal Refers to Greater Los Angeles, Inland Empire West, Orange County & San Diego; excludes Inland Empire East & Southwest Riverside.
2. Source: CBRE Research 1Q 2026. Infill SoCal Refers to Greater Los Angeles, Inland Empire West, Orange County & San Diego; excludes Inland Empire East.
3. Source: JLL Research 1Q 2026. Infill SoCal Refers to Greater Los Angeles, Inland Empire West, Orange County & San Diego; excludes Inland Empire East.

SLIDE 11

1. 2020–2025 reflect historical results; 2026E represents management's estimate. Peer average based on publicly available FY25 reported data for STAG, PLD, TRNO, FR & EGP.

SLIDE 12

1. Adjusted EBITDA_{re} is a Non-GAAP financial measure. Please refer to the Non-GAAP Reconciliations and Definitions on the following pages of this presentation for descriptions and reconciliations of Adjusted EBITDA_{re}.
2. Total liquidity reflects ending cash balance of approximately \$52 million and nearly full availability on our \$1.25 billion revolver.
3. These credit ratings may not reflect the potential impact of risks relating to the structure or trading of the Company's securities and are provided solely for informational purposes. Credit ratings are not recommendations to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization in its sole discretion. The Company does not undertake any obligation to maintain the ratings or to advise of any change in ratings. Each agency's rating should be evaluated independently of any other agency's rating. An explanation of the significance of the ratings may be obtained from each of the rating agencies.

Endnotes (cont.)

SLIDE 14

1. NOI and Core FFO are Non-GAAP financial measures. Please refer to the Non-GAAP Reconciliations and Definitions on the following pages of this presentation for descriptions and reconciliations of NOI and Core FFO.

SLIDE 15

1. Reflects the previously disclosed 1.1 million-square-foot-lease extension with Tireco, Inc. at 10545 Production Avenue executed in Q1 2026, unless otherwise noted. The lease, which was originally set to expire in January 2027, was extended through April 2030 commencing on February 1, 2027. The above-market, in-place lease rate resulted in a net effective and cash releasing spread of (31.0)% and (33.5)%, respectively. This lease extension is not indicative of the Company's projected portfolio releasing spreads given the unique size, adjacent competitive supply and lease structure. The lease includes annual contractual rental rate increases of 2.75% and three months of rent abatement in 2027, in addition to a conversion to a gross lease from a triple net lease, which enables the Company to capture the benefit from any potential reduction in real estate property taxes.
2. Annual contractual rental rent increases for leases executed in the first quarter 2026.

SLIDE 16

1. Dispositions under contract or with accepted offer as of April 23, 2026. Transactions are subject to customary due diligence and closing conditions; as such, there is no guarantee the Company will close on these transactions.

SLIDE 17

1. Annualized Cash NOI associated with leases executed through 3/31/2026 for repositioning and development projects. Excludes projects in "Other Repositioning."
2. Stabilized Return on Cost is a Non-GAAP financial measure. Please refer to the Non-GAAP Reconciliations and Definitions on the following pages of this presentation for a description of stabilized return on cost.

SLIDE 19

1. Market rent growth is the percentage change in the current market rate versus the prior period market rate. Mark-to-market is the percentage point change in the current market rate versus the current in-place lease rate. Figures are rounded.
2. Total Infill SoCal percentages represent weighted averages for the market.

Non-GAAP Reconciliations

Net Operating Income (\$ in '000s)		
	Quarter Ended 3/31/2026	Quarter Ended 3/31/2025
Net Income	\$94,562	\$74,048
General & administrative	14,925	19,868
Depreciation & amortization	72,933	86,740
Other expenses	102	2,239
Interest expense	26,600	27,288
Management & leasing services	—	(142)
Other Income	(1,350)	—
Interest income	(2,937)	(3,324)
Impairment of real estate	6,824	—
Gains on sale of real estate	(26,281)	(13,157)
Net Operating Income (NOI)	\$185,378	\$ 193,560
Straight line rental revenue adjustments	(15,136)	(5,517)
Above/(below) market lease revenue adjustments	(4,647)	(9,186)
Cash NOI	\$165,595	\$178,857

Funds from Operations (\$ in '000s, except per share data)		
	Quarter Ended 3/31/2026	Quarter Ended 3/31/2025
Net Income	\$94,562	\$74,048
Depreciation and amortization	72,933	86,740
Impairment of real estate	6,824	—
Gains on sale of real estate	(26,281)	(13,157)
Funds from Operations	\$148,038	\$147,631
Less: preferred stock dividends	(2,314)	(2,314)
Less: FFO, attributable to noncontrolling interests	(5,282)	(5,394)
Less: FFO, attributable to participating securities	(1,434)	(750)
Company Share of FFO	\$139,008	\$139,173
FFO	\$148,038	\$147,631
Acquisition expenses	—	79
Non-capitalizable demolition costs	—	365
Severance costs	—	1,483
Other nonrecurring expenses	62	—
Core FFO	\$148,100	\$149,558
Less: preferred stock dividends	(2,314)	(2,314)
Less: FFO, attributable to noncontrolling interests	(5,284)	(5,461)
Less: FFO, attributable to participating securities	(744)	(760)
Company Share of Core FFO	\$139,758	\$141,023
Weighted-average shares outstanding - diluted	228,312	227,396
Company Share of Core FFO per share - basic	\$0.61	\$0.62
Company Share of Core FFO per share - diluted	\$0.61	\$0.62

Source: Company filings

EBITDA_{re} and Adjusted EBITDA_{re} (\$ in '000s)		
	Quarter Ended 3/31/2026	Quarter Ended 3/31/2025
Net Income	\$94,562	\$74,048
Interest expense	26,600	27,288
Depreciation and amortization	72,933	86,740
Impairment of real estate	6,824	—
Gains on sale of real estate	(26,281)	(13,157)
EBITDA_{re}	\$174,638	\$174,919
Stock-based compensation amortization	4,063	9,699
Acquisition expenses	—	79
Other nonrecurring expenses	62	—
Pro forma effect of dispositions	(206)	162
Adjusted EBITDA_{re}	\$178,557	\$184,859

Definitions

Cash NOI: Cash NOI is a non-GAAP measure, which we calculate by adding or subtracting from NOI (i) fair value lease revenue and (ii) straight-line rent adjustment. We use Cash NOI, together with NOI, as a supplemental performance measure. Cash NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. Cash NOI should not be used as a substitute for cash flow from operating activities computed in accordance with GAAP. We use Cash NOI to help evaluate the performance of the Company as a whole, as well as the performance of our Same Property Portfolio.

Core Funds from Operations (“Core FFO”): We believe that Core FFO is a useful supplemental measure and that by adjusting for items that are not considered by us to be part of our on going operating performance, provides a more meaningful and consistent comparison of the Company’s operating and financial performance period-over-period. Because these adjustments have a real economic impact on our financial condition and results from operations, the utility of Core FFO as a measure of our performance is limited. Other REITs may not calculate Core FFO in a consistent manner. Accordingly, our Core FFO may not be comparable to other REITs’ core FFO. Core FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance. “Company Share of Core FFO” reflects Core FFO attributable to common stockholders, which excludes amounts allocable to noncontrolling interests, participating securities and preferred stockholders (which consists of preferred stock dividends, but excludes non-recurring preferred stock redemption charges related to the write-off of original issuance costs which we do not consider reflective of our core revenue or expense streams).

Estimated Stabilized Return on Cost: Calculated by dividing each project’s Annualized Stabilized Cash NOI by its Projected Total Investment.

NAREIT Defined Funds from Operations (“FFO”): We calculate FFO in accordance with the standards established by NAREIT. FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) on sale of real estate assets, gains (or losses) on sale of assets incidental to our business, impairment losses of depreciable operating property or assets incidental to our business, real estate related depreciation and amortization (excluding amortization of deferred financing costs) and after adjustments for unconsolidated joint ventures. Management uses FFO as a supplemental performance measure because, in excluding real estate related depreciation and amortization, gains and losses from property dispositions or assets incidental to our business, other than temporary impairments of unconsolidated real estate entities, and impairment on our investment in real estate and other assets incidental to our business, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that, as a widely recognized measure of performance used by other REITs, FFO may be used by investors as a basis to compare our operating performance with that of other REITs. However, because FFO excludes depreciation and amortization and captures neither the changes in the value of our properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effects and could materially impact our results from operations, the utility of FFO as a measure of our performance is limited. Other equity REITs may not calculate or interpret FFO in accordance with the NAREIT definition as we do, and, accordingly, our FFO may not be comparable to such other REITs’ FFO. FFO should not be used as a measure of our liquidity, and is not indicative of funds available for our cash needs, including our ability to pay dividends. FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance. “Company Share of FFO” reflects FFO attributable to common stockholders, which excludes amounts allocable to noncontrolling interests, participating securities and preferred stockholders (which consists of preferred stock dividends and any preferred stock redemption charges related to the write-off of original issuance costs).

Net Debt to Adjusted EBITDA_{re}: Calculated as Net Debt divided by annualized Adjusted EBITDA_{re}. We calculate Adjusted EBITDA_{re} as net income (loss) (computed in accordance with GAAP), before interest expense, tax expense, depreciation and amortization, gains (or losses) from sales of depreciable operating property, non-cash stock-based compensation expense, gain (loss) on extinguishment of debt, acquisition expenses, impairments of right of use assets, and the pro-forma effects of acquisitions, dispositions and other nonrecurring expenses. We believe that Adjusted EBITDA_{re} is helpful to investors as a supplemental measure of our operating performance as a real estate company because it is a direct measure of the actual operating results of our industrial properties. We also use this measure in ratios to compare our performance to that of our industry peers. In addition, we believe Adjusted EBITDA_{re} is frequently used by securities analysts, investors and other interested parties in the evaluation of Equity REITs. However, because Adjusted EBITDA_{re} is calculated before recurring cash charges including interest expense and income taxes, and is not adjusted for capital expenditures or other recurring cash requirements of our business, its utility as a measure of our liquidity is limited. Accordingly, Adjusted EBITDA_{re} should not be considered an alternative to cash flow from operating activities (as computed in accordance with GAAP) as a measure of our liquidity. Adjusted EBITDA_{re} should not be considered as an alternative to net income or loss as an indicator of our operating performance. Other Equity REITs may calculate Adjusted EBITDA_{re} differently than we do; accordingly, our Adjusted EBITDA_{re} may not be comparable to such other Equity REITs’ Adjusted EBITDA_{re}. Adjusted EBITDA_{re} should be considered only as a supplement to net income (as computed in accordance with GAAP) as a measure of our performance. A reconciliation of net income, the nearest GAAP equivalent, to Adjusted EBITDA_{re} is set forth below in the Financial Statements and Reconciliations section.

Net Operating Income (“NOI”): NOI is a non-GAAP measure which includes the revenue and expense directly attributable to our real estate properties. NOI is calculated as total revenue from real estate operations including i) rental income, ii) tenant reimbursements, and iii) other income less property expenses. We use NOI as a supplemental performance measure because, in excluding real estate depreciation and amortization expense, general and administrative expenses, interest expense, gains (or losses) on sale of real estate and other non-operating items, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that NOI will be useful to investors as a basis to compare our operating performance with that of other REITs. However, because NOI excludes depreciation and amortization expense and captures neither the changes in the value of our properties that result from use or market conditions, nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties (all of which have real economic effect and could materially impact our results from operations), the utility of NOI as a measure of our performance is limited. Other equity REITs may not calculate NOI in a similar manner and, accordingly, our NOI may not be comparable to such other REITs’ NOI. Accordingly, NOI should be considered only as a supplement to net income as a measure of our performance. NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. NOI should not be used as a substitute for cash flow from operating activities in accordance with GAAP. We use NOI to help evaluate the performance of the Company as a whole, as well as the performance of our Same Property Portfolio.



**Rexford
Industrial**

www.rexfordindustrial.com